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DOCKET FILE COPY ORIGINAL

June 29, 2001

Magalie Roman Salas, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CTC Telcom, Inc.
CC Docket No. 96-45
Section 54.809 Carrier Certification

Dear Ms. Salas:

Pursuant to Section 54.809 of the Commission's Rules, CTC Telcom, Inc., a competitive local exchange carrier certified by the Wisconsin Public Service Commission as an Eligible Telecommunications Carrier in the Barron, Chetek and Rice Lake Wisconsin wire centers, hereby certifies that all interstate access universal service support will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

For your convenience, attached is a copy of CTC Telcom, Inc. line count information which is concurrently being filed with USAC pursuant to Section 54.802 (a) of the Commission's Rules.

Please contact me should you have any questions or require further information.

Sincerely,

Rick Vergin
Executive Vice President
CTC Telcom, Inc.

Attachment

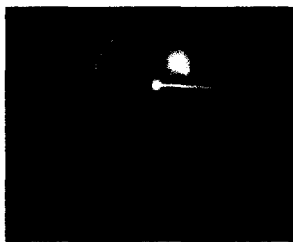
cc: Irene M. Flannery
Vice President, High Cost & Low Income Division
USAC

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COMMUNICATIONS SOLUTIONS.
IT'S WHAT WE DO.

John Ricker
Executive Director
Universal Service Administrative Company
80 South Jefferson Road
Whippany, NJ 07981

Re: CTC Telcom, Inc.
Quarterly Report of Line Count Data

Dear Mr. Ricker:

Pursuant to Section 54.802(a) of the Commission's Rules and to establish its eligibility for receipt of Universal Service support, CTC Telcom, Inc., a competitive local exchange carrier certified by the Wisconsin Public Service Commission as an Eligible Telecommunications Carrier in the Barron, Chetek and Rice Lake Wisconsin wire centers, hereby submits its initial quarterly submission of line count data. UNE zones have not been established in Wisconsin.

As of March 31, 2001, CTC Telcom, Inc. served 1887 residential/single-line business lines and 425 multi-line business lines in the Barron wire center. 2000 of the working loops reported herein are provided entirely with CTC Telcom, Inc.'s own facilities. 312 of reported working loops are provided through purchase of unbundled network elements. None of reported working loops are wholesale services from the incumbent local exchange carrier serving the same territory.

As of March 31, 2001, CTC Telcom, Inc. served 264 residential/single-line business lines and 117 multi-line business lines in the Chetek wire center. 381 of the working loops reported herein are provided entirely with CTC Telcom, Inc.'s own facilities. None of reported working loops are provided through purchase of unbundled network elements. None of reported working loops are wholesale services from the incumbent local exchange carrier serving the same territory.

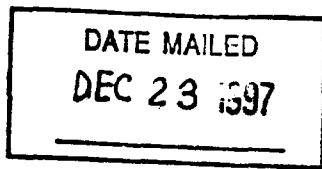
As of March 31, 2001, CTC Telcom, Inc. served 2647 residential/single-line business lines and 1723 multi-line business lines in the Rice Lake wire center. 3158 of the working loops reported herein are provided entirely with CTC Telcom, Inc.'s own facilities. 1212 of reported working loops are provided through purchase of unbundled network elements. None of reported working loops are wholesale services from the incumbent local exchange carrier serving the same territory.

Also attached to this letter is a copy of CTC Telcom's ETC certification.

Please contact me should you have any questions or require further information.

Sincerely,

Rick Vergin
Executive Vice President
CTC Telcom, Inc.



BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Designation of Eligible Telecommunications Carriers
Under Part 54 of Title 47 of the Code of Federal Regulations

05-TI-162

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND FINAL ORDER**

Proceedings

Under § 47 USC 254(e) of the Telecommunications Act of 1996 (Federal Act or Act), implicit support mechanisms for telephone service are being replaced with explicit support. The Federal Communications Commission (FCC) promulgated rules covering support for rural, insular, and high-cost areas, and for other universal service support programs, in its May 8, 1997, order in docket 97-157, entitled *In the Matter of the Federal-State Joint Board on Universal Service*. That order adopted the requirements of § 47 USC 214(e)(1) of the Act in rules for determining which providers are eligible telecommunications carriers (ETCs), and specified that only providers designated as ETCs by state commissions under § 47 USC 214(e)(2) of the Act may receive federal universal service funding 47 C.F.R. 54. This requirement also applies to incumbent local exchange carriers (ILECs); ILECs must be designated as ETCs in order to continue to receive payments under current federal universal service programs, such as high-cost support, effective January 1, 1998.

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facilities, and (2) it must advertise its services to customers and potential customers. Complete rules regarding these criteria, the procedures for becoming an ETC, and the procedures for relinquishing ETC status are being developed in the universal service rulemaking, docket 1-AC-166. Other issues, such as whether ch. PSC 165, Wis. Adm. Code, (which covers service standards) should apply to CLECs will be dealt with in the order on regulation of CLECs to be issued in docket 05-TI-138. A draft of that order will soon be routed for comments. The existing universal service rules, ch. PSC 160, Wis. Adm. Code, already apply to all providers, and do not require additional action here. This order will serve to designate as ETCs those companies that have already filed ETC applications, and to establish interim procedures for relinquishing ETC designation. Those interim procedures will remain effective until the administrative rules go into effect.

Rural and Nonrural ILECs

The Act and the FCC order treat rural and nonrural ILECs differently. The nonrural ILECs in Wisconsin are Ameritech Wisconsin and GTE North, Incorporated. All other incumbent LECs are rural ILECs. Under § 214(e)(2) of the Federal Act, states shall designate more than one ETC in an area served by a nonrural ILEC if the state commission determines that each additional carrier meets the requirements of § 47 USC 214(e)(1). For areas served by rural ILECs, the state commission must first make a finding that authorizing additional ETCs in the area is in the public interest, and a proceeding will be necessary if a CLEC asks for ETC designation in the rural ILEC's territory. Proceedings will also be necessary when a CLEC seeks

be able to easily identify the ETCs serving a particular customer or community. Although Geographic Information Systems (GIS) software may make this feasible in the future, at present this would require considerable effort. Furthermore, ETCs are to be allowed to relinquish that status, provided another ETC is serving that area (see § 214[e][4] of the Act). Allowing company-specific ETC areas opens a host of issues, such as whether a provider can relinquish its ETC status if other ETC providers serve in 95 percent of its ETC territory. In addition, other Commission policies, as well as technical factors related to call routing and interconnection, drive competitors to enter markets on a wire center by wire center basis. As a result, the potential benefits of provider-specific ETC areas are greatly reduced. It is not reasonable, therefore, to allow provider specific ETC areas.

The FCC has set the ILEC's study area as the maximum area for ETC designation in areas served by rural ILECs, but also recommended that states adopt a smaller area. The study area means, for Wisconsin ILECs at least, the entire area (within Wisconsin) served by the rural ILEC. The WSTA has proposed using the study area as the area in which ILECs and competitors must serve all customers if they are to be designated as ETCs. The primary effect of using such a large area would be to make it more difficult for providers to enter the market, since they would be required to enter the entire service territory. Since some companies are composed of several separate groups of exchanges which are noncontiguous and occasionally even in different LATAs, the cost of complete entry would be a barrier to entry and effective competition. The WSTA's primary argument, that federal support funding is provided on a study area basis, may be made in the proceedings to authorize a competitor in a rural ILEC's territory; it does not need to be adopted in advance. Therefore, the Commission rejects the WSTA

Relinquishing ETC Status

Under § 214(e)(4) of the Act, states are required to develop a process for providers to relinquish ETC status in some or all of the areas in which the provider is an ETC. Those procedures are being developed in docket 1-AC-166, the universal service rulemaking. In the interim, providers should be able to relinquish ETC status, provided other ETCs are designated in those areas. Notice of intent to relinquish shall be given by letter addressed to the Commission. Such letters will not be effective until 15 days after receipt, to allow the Commission staff time to verify that another provider is indeed designated as an ETC for the territory involved. If no other provider is so designated, the staff will refer the matter to the Commission for a formal proceeding to address how and when the provider's ETC status will be lifted. If another provider is designated as an ETC for the area, the Commission will confirm, by letter, that the requesting provider no longer has ETC status.

Some parties have raised the issue of imposing additional requirements on LECs, either incumbent or competitive, that provide underlying facilities to other providers, and are seeking to have their ETC status lifted. While it is true that, if a facilities provider were to cease operations, the competitors reselling or using its facilities would have to make other arrangements, the procedure being addressed herein is ETC status, not provision of service. This procedure deals only with relinquishing ETC designation for the purpose of receiving universal service support. A provider can relinquish its ETC designation and continue to provide service to its customers. It can also provide service to new customers in the area for which it is no longer an ETC. Furthermore, the procedures to become, or to cease being, an ETC do not eliminate or supersede

supersede any requirement set now. It is more appropriate to address this matter in the universal service rule docket.

The requirements for advertising and monitoring of advertisements will be set in the universal service rulemaking.

Pricing of Services

Several parties have recommended restrictions on the pricing of basic service by eligible telecommunications carriers. Other parties have objected to price controls as being unnecessary and unduly restricting competitive options. Since the purpose of the high cost area universal service program is to assure service in areas where the market would not provide it at affordable rates, these concerns are understandable. However, it is not necessary to address the issue of price controls here. The high rate assistance credit program, (§ PSC 160.09, Wis. Adm. Code) which is already in place and which applies to both ILECs and CLECs, ensures that rates will remain affordable. Modifications to that program, as required, will be made in the universal service rulemaking.

Treatment of Open Territory

In Wisconsin a number of areas are parts of two or more overlapping exchanges. These are called "open territories." These are not necessarily territories opened to competition. Instead, these are historic remnants. In general, open territories occurred between two small cities, served by two different telephone companies. As a small enclave developed between the two communities, both telephone companies extended lines to customers in the enclave. By the time

The parties in this docket commented that they are not aware of any unserved customers currently requesting service in unassigned territories. Under the Act and FCC rules these areas are not "requesting" territories. Therefore, it is not necessary to designate ETCs for unassigned territory at this time. Further, since no providers filed requests to serve as ETCs in that territory, it is not possible to equitably assign unassigned territory before January 1, 1998. Therefore, the methods for assigning unassigned territory will be developed in the universal service rulemaking.

Toll Blocking and Toll Control

The FCC order, FCC 97-157, at paragraph 82, includes "toll limitation and toll control services" as part of essential services which must be provided by eligible telecommunications carriers, at least to low-income customers. Paragraph 385 of the FCC order describes toll control as allowing "customers to limit in advance their toll usage per month or per billing cycle." The paragraph continues by stating that these service should be available to low income customers without charge.

All providers that have applied to become ETCs have the capability to provide toll blocking, and most have already implemented the service. Toll control, a service which limits customer toll bills to a preset amount, is more of a problem. No Wisconsin provider has stated that they have the technical capability to offer the service. Several parties submitted letters from the major switch vendors stating that the software to provide this service has not yet been developed.

A few providers can offer partial toll control. This service will block the toll calls placed to long distance providers using the LEC's billing systems, once a set amount of usage is

3. It is reasonable to allow ETCs to relinquish that status by written notice to the Commission if at least one other provider is an ETC in the area being affected and the Commission approves the relinquishment. If no other provider is designated as an ETC, the Commission will institute a procedure to name a replacement ETC.

4. It is not necessary to establish rules and monitoring procedures for advertising at this time. Those issues will be addressed in docket 1-AC-166.

5. It is in the public interest to designate multiple providers as eligible telecommunications carriers in all open territories, including open territories where one or both of the serving ILECs is a rural telephone company.

6. It is not necessary to establish rules and procedures for assignment of unassigned territory at this time. Instead, that issue should be addressed in docket 1-AC-166.

7. It is reasonable to grant an extension of the toll control requirement. When switch software manufacturers have made toll control products generally available, the Commission will consider establishing a deadline for implementation.

8. This is a Type III action under s. PSC 4.10(3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under s. 1.11 Stats., nor an environmental assessment is required.

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letter to the Commission. Authority to sign letters approving relinquishment is delegated to the Administrator of the Telecommunications Division.

5. The deadline for installing toll control service is extended indefinitely. When the technology necessary to provide for the service is generally available from switch manufacturers, the Commission will consider imposing a deadline for implementation.

6. Jurisdiction is retained.

Dated at Madison, Wisconsin, December 23, 1997

By the Commission:


Lynda L. Dorr
Secretary to the Commission

LLD:PRJ:reb:jah:G:\order\pending\05-TI-162 draft order 6.doc

Attachments

See attached Notice of Appeal Rights

APPENDIX A
05-TI-162

This proceeding is not a contested case under Chapter 227, Stats., therefore there are no parties to be listed or certified under s. 227.47, Stats. However, an investigation was conducted, and the persons listed below participated.

Public Service Commission of Wisconsin
(Not a party but must be served)
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MCI TELECOMMUNICATIONS CORPORATION

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by

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MR. PETER L. GARDON, ATTORNEY

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TCG MILWAUKEE

by

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Courtesy Copy:

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Wheeler, Van Sickle & Anderson, S.C.
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Madison, WI 53703-3398
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Mr. John Jay Reidy, III, Attorney
AT&T Corporate Center
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Chicago, IL 60606
(PH: 312-230-2647 / FAX: 312-230-8211)

Appendix B

05-TI-162

Providers Designated as Eligible Telecommunications Carriers

- **Nonrural Incumbent Local Exchange Carriers**

(The following nonrural ILECs have requested ETC designation for all wire centers in their service territories)

Utility Number	Utility Name
6720	Ameritech
2180	GTE North Incorporated

- **Rural Incumbent Local Exchange Carriers**

(The following rural ILECs have requested ETC designation for all exchanges in their service territories)

Utility Number	Utility Name
150	Amery Telcom, Inc.
170	Amherst Telephone Company
300	Badger Telecom, Inc.
330	Baldwin Telecom, Inc.
390	Bayland Telephone, Inc.
450	Belmont Telephone Company
470	Bergen Telephone Company
540	Black Earth Telephone Company
590	Bloomer Telephone Company
640	Bonduel Telephone Company
820	Bruce Telephone Company, Inc.
850	Burlington Brighton & Wheatland Tel
1020	Central State Telephone Company
1070	Chequamegon Telephone Coop, Inc.
1090	Chibardun Telephone Cooperative, Inc.
1130	Citizens Telephone Cooperative, Inc.
1170	Clear Lake Telephone Company, Inc.
1230	Cochrane Cooperative Telephone Co
1350	Coon Valley Farmers Telephone Co
1410	Crandon Telephone Company
1460	Cuba City Telephone Exchange Company
1630	Dickeyville Telephone Corporation
1910	Century Telephone of Fairwater-Brandon-Alto, Inc.
1940	Farmers Independent Telephone Co
1960	Farmers Telephone Company
2050	Century Telephone of Forestville, Inc.

Appendix B

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• Rural Incumbent Local Exchange Carriers

(Continued)

Utility Number	Utility Name
5530	Century Tel of Northwest Wisconsin, Inc.
5560	Somerset Telephone Company, Inc.
5570	Southeast Telephone Co of Wisc, Inc.
5660	Spring Valley Telephone Company, Inc.
5680	State Long Distance Telephone Co.
5710	Stockbridge & Sherwood Telephone Co.
5850	Tenney Telephone Company
5950	Tri County Telephone Coop, Inc.
6000	Union Telephone Company
6030	UTELCO, Inc.
6040	Century Telephone of Northern WI, Inc.
6050	Frontier Communications of Wisconsin, Inc.
6090	Vernon Telephone Cooperative
6150	Frontier Communications of Viroqua, Inc.
6250	Waunakee Telephone Company
6440	West Wisconsin Telcom Coop, Inc.
6750	Wittenberg Telephone Company
6770	Wood County Telephone Company

• Competitive Local Exchange Carriers:

Name	PSC #	Exchanges in which Provider is Designated as an ETC
Bayland Communications, Inc.	0387	Oconto, Oconto Falls, Green Bay
CTC Telecom, Inc.	7157	Barron, Rice Lake
CTC Communications, Inc	1455	Barron, Rice Lake
Chequamegon Telecomm. Company	1065	Ashland, Bayfield, Hayward, Spider Lake, Superior, Washburn
Sharon Telephone Co.	5340	Darien
TCG Milwaukee	5837	Milwaukee Zones (1,2,3,4,5), Burlington, Hartford, Hartland, Lake Geneva, Oconomowoc, Kenosha, Menomonee Falls, Racine, Thiensville, Waukesha, West Bend, Big Bend, Sussex, Pewaukee, Cedarburg
Wausau Cellular License Corp.	8260	All GTE exchanges in the Wausau MSA
West Wisconsin Communications Systems, Inc.	7073	Boyceville, Chippewa Falls, Colfax, Eau Claire, Elk Mound, Elmwood, Knapp, Menomonie, Wheeler